



OFFICE OF
**INSPECTOR
GENERAL**
UNITED STATES POSTAL SERVICE

HIGHLIGHTS

Management of Equipment in Capitol Heights, MD

Report Number HR-MA-14-001

BACKGROUND:

The U.S. Postal Service's Southern Maryland Processing and Distribution Center (P&DC) and Washington Network Distribution Center (NDC) are co-located in Capitol Heights, MD. Both facilities stored mail transport equipment (MTE) and mail processing equipment outside. The MTE included pallets, all-purpose containers, and heavy duty, over-the-road containers. The mail processing equipment included container loaders, which are used to load mail from a variety of containers onto other mail processing equipment.

Our objective was to evaluate compliance with equipment handling and use policies and procedures at the Southern Maryland P&DC and the Washington NDC and the environmental effects of outside storage of equipment.

WHAT THE OIG FOUND:

There are opportunities to improve MTE and mail processing equipment storage and use procedures at the Southern Maryland P&DC and Washington NDC. The facilities stored 1,389 pieces of unsheltered MTE outdoors for a prolonged period, exposing the equipment to potential weather damage, theft, and improper use. We observed MTE containing fire extinguishers, machine parts, rubber floor mats, debris, and other MTE. We also observed damaged or excess equipment that were not properly identified and sent for repair, including pallets discarded in the

dumpster. Additionally, the Washington NDC stored 12 container loaders outdoors that were not adequately protected. These conditions occurred because policies and procedures for equipment storage were not clear. Also, although management was aware of the requirements for handling damaged and excess equipment, they did not ensure compliance with policies and procedures.

Finally, improper outdoor MTE storage poses an environmental risk of discharging rust and other materials into storm water. We estimate assets valued at \$1.3 million were at risk due to improper storage and handling.

WHAT THE OIG RECOMMENDED:

We recommended management establish procedures to comply with the revised MTE policy when implemented and reinforce proper MTE handling guidelines. We also recommended management ensure MTE is used only to transport mail and ensure maintenance and operations managers comply with policies and procedures for disposing of damaged or excess MTE. Finally, we recommended management replace coverings on existing container loaders stored outside, and establish procedures to monitor the condition of current and future mail processing equipment stored outside.